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# Introduction



*This volume of the Federal Student Aid Handbook discusses the eligibility requirements for students and parent borrowers and your responsibilities to ensure that recipients qualify for their aid awards.*

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## SOURCES OF INFORMATION

There are many factors that you must consider when reviewing a student's application for aid from the FSA programs, such as whether the student is a U.S. citizen or permanent resident, whether the student is making satisfactory academic progress, and whether the student has a defaulted FSA loan. To answer these questions you receive information about the student from several different sources, including the Department of Education's Central Processing System (CPS) for financial aid applications and the National Student Loan Data System (NSLDS).

Throughout the year the Department provides updates to schools in the form of Dear Partner/Colleague Letters. These letters and other information, such as Federal Register notices and announcements containing system updates and technical guidance, are available on the *Information for Financial Aid Professionals* (IFAP) website ([www.ifap.ed.gov](http://www.ifap.ed.gov)).

Schools using software from the Department also receive other materials that explain how the software operates, such as technical references, which are available on the FSA Download website (see the margin). The FSA Handbook doesn't cover the operation of specific pieces of software. Schools using third-party software should consult the vendor's reference materials for technical guidance.

## RECENT CHANGES

We inserted a margin note on p. 3 regarding valid high school diplomas. There have been instances of high school "diploma mills" that are awarding diplomas that are not recognized by the states in which the schools are located. While students self-certify that they have a high school diploma and college financial aid offices are not required to keep copies of it, if you have conflicting information about the validity of a diploma, you can contact the state department of education for the state in which the high school is located to find out if the diploma is accepted in that state.

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### Program and systems information online

[www.fsadownload.ed.gov](http://www.fsadownload.ed.gov)

Software:

- Direct Loan Tools
- EDconnect
- EDEExpress for Windows
- ISIR Analysis Tool
- Return of Title IV Funds

Technical References and User Guides for:

- CPS (ISIR, Summary of Changes, and RAD Process Guides, etc.)
- COD
- Electronic Data Exchange
- EDEExpress Packaging

[www.ifap.ed.gov](http://www.ifap.ed.gov)

- Federal Registers
- Electronic Announcements
- Dear Partner/Colleague Letters
- FSA Assessment modules:
  - Student Eligibility—[www.ifap.ed.gov/qamodule/StudentEligibility/AssessmentC.html](http://www.ifap.ed.gov/qamodule/StudentEligibility/AssessmentC.html)
  - Satisfactory Academic Progress—[www.ifap.ed.gov/qamodule/SAPModule/SAPModuleIntro.html](http://www.ifap.ed.gov/qamodule/SAPModule/SAPModuleIntro.html)

See p. 7 for the latest addition to the list of approved Ability-to-Benefit tests: the WorkKeys Program assessments by American College Testing (ACT).

We corrected a statement on p. 23 regarding USCIS procedures. Conditional permanent residents receive an I-551 form that is valid for two years. The text had stated that they must file a petition with the USCIS to remove their conditional status in the 90 days following the expiration of their I-551, but it actually must be done in the 90 days *prior* to the end of the two years.

At the end of the second paragraph on the total and permanent disability cancellation on p. 43, we noted that a defaulted loan that is conditionally discharged remains in default until it is permanently discharged at the end of the three-year conditional period.

Also on p. 43, we added a margin note explaining the meaning of “substantial gainful activity.”

We have added an explanation of the new Master Death File check by the CPS on p. 50.

We have added a margin note to p. 62 stating that aid administrators may not perform a credit check on students as a condition for awarding them federal student aid.

There are new sections at the end of Chapter 6 on the Leveraging Educational Assistance Partnership (LEAP) Program and the Robert C. Byrd Honors Scholarship Program.

Throughout this volume we have removed the charts of match flags and results that were reproduced from the ISIR Guide. We did this for a couple reasons: we could not replicate the charts in full here (for example, those for the SSN matches alone take 14 pages in the ISIR Guide), and they were often redundant with material already presented in the body of the text. We also removed the summary chart of documentation in Chapter 2 because the material in the chart should be read in full in the body of the chapter.

In the 04–05 Student Eligibility volume we moved some of the discussion on satisfactory academic progress from Chapter 1 to *Volume 2* of the Handbook because the text was more appropriately related to schools’ administrative capability requirement. We apologize for not announcing the move in last year’s introduction and for any confusion that this caused.

If you have any comments regarding the FSA Handbook, please contact Research and Publications via e-mail at [fsaschoolspubs@ed.gov](mailto:fsaschoolspubs@ed.gov).